PLAN TO TERMINATE TANGLE IN COTTON

Arrangements Made to Form Syndicate to Take Over Long Contracts.

'BUY A BALE' CLUBS ACTIVE

Organizations Spreading and Putting Courage Into Hearts of Farmers.

It was understood yesterday that [illegible] under way on the Cotton Exchange for the formation of a syndicate to take over "straddles" [illegible] and relieve the local cotton situation with a view to an early opening of the exchange. The plan has not yet [illegible] the Board of Managers, but it is known to have the approval of the influential members and the [illegible] as a solution of the contract problem.

According to arrangements suggested yesterday a syndicate of cotton merchants will be formed to take over such long contracts as holders are anxious to dispose of on the basis of 9 cents in New York. The names of those forming the syndicate were not given out and it is possible that they will not be made public. They represent, however, some of the largest dealers in the cotton trade. Several of these will not only take care of their own long contracts but will join the pool to underwrite the holdings which other firms desire to dispose of on the basis of 9 cents. By this method it is hoped to clean up the whole New York-Liverpool straddle interest. This will mean that the holders of long December contracts will get out at 9 cents, which will leave the Liverpool stock unhedged in proportion to the amount of contracts sold out in New York. The result will be that the syndicate "long" in the Liverpool market at 5.25 for January-February. The plan will require some pretty heavy financing but it is hoped to obtain the aid of New York bankers to whatever extent assistance may be needed.

If the plan goes through, and it seemed reasonably sure yesterday that it would, it is not unlikely that the Cotton Exchange will be opened some time during October. Some members were inclined even to believe that trading might be resumed by October 1, but present indications point to Monday, October 12, as the more desirable date. The moratorium in England does not terminate until October 4 and moreover the changes to be made in the by-laws of the New York Cotton Exchange in order to conform to the provisions of the new law regulating cotton futures, formerly known as the Lever bill, will require further time and consideration. As a matter of fact the difficulties in the way of meeting all the requirements of this law constitute the chief obstacles to the resumption of business. There are two or three sections in the law which make it almost impossible to conduct business in normal fashion, particularly the arbitrage transactions with Liverpool.

The "Buy a Bale" movement seems to be spreading rapidly throughout the South and many cities are considering the formation of clubs in conjunction with others for purchasing and taking cotton off the market in order to relieve the South of a large part of its burden. Southern newspapers are full of the "Buy a Bale" propaganda and a great deal of helpful missionary work is being done. Not the least important feature is the courage which it is putting in the hearts of farmers. [illegible] thousands of southern [illegible] buying cotton at 10 cents per pound. Naturally this tends to hold out for the same figure.

[illegible]

Whether the "buy a bale" organizations [illegible] remains that the South is much firmer in its price views and cotton has advanced considerably in the interior [illegible]. Boston points are 15 cents higher than last week, and the [illegible] good middling 4 per cent at 8¾ cents. Augusta reports prices firm and unchanged, at 9 cents for middling.

The census report on supply and distribution published yesterday morning places the total consumption by American mills during August at 384,205 bales exclusive of linters, against 432,350 in August last year. The consumption for the twelve months ended August 31 is placed at 6,577,000 bales, against 5,432,000 last year, exclusive of linters. With the addition of linters, amounting to 306,000 bales, the total consumption [illegible] 5,884,000 bales. Allowing for the slowing up in trade, due to the war in Europe, it is not unlikely that American consumption for the year [illegible] approximately 6,000,000 bales.

NEW HITCH IN CLAFLIN PLAN.

Merchandise Creditors Said to Have Raised Objections.

After a meeting of the executive committee of the merchandise creditors of the H. B. Claflin Company yesterday it was announced that the general reorganization plan had been held up for some days. It had been thought that yesterday's meeting would see the adoption of the plan of the bank creditors by the merchandise men, but it was admitted late in the day that no agreement had been reached.

Just what this hitch was could not be learned definitely. In one quarter it was said that the proposed form of [illegible] the merchandise creditors [illegible] of the reorganization plan, which would be changed. In another quarter it was said that the merchandise creditors [illegible] with the nature of the collateral behind the notes the merchant creditors are to get. [illegible] receive 15 per cent in cash and 85 per cent in one, two, three, four and five year 5 per cent notes, with stock in the new companies as a bonus.

It was stated yesterday that when the plan will be made public now.

BETS ON EXCHANGE REOPENING.

Schumm Offers $500 Even That There'll Be No Trading by Oct. 1.

Betting in the financial district turned yesterday to wagers on when the Stock Exchange would reopen. Fred Schumm, Wall Street's best known betting commissioner, who is usually [illegible] on baseball to prize fights, announced that he had been requested [illegible] markets would open [illegible] [illegible] he would [illegible] after yesterday's game.

Schumm reported that he has $500 [illegible] that the Stock Exchange would not reopen by October 1 and that he was willing to bet $200 to $100 that it would not be open by December 1.

ST. PAUL LINE'S GAINS DROP.

Decrease in Gross Revenue of $2,301,363 in Year.

The annual report of the Chicago, Milwaukee and St. Paul Railway shows a decrease in gross revenue of $2,301,363 from the previous year. Gross revenue from operation was $91,782,000.

Operating expenses were reduced by $1,523,906. The surplus earnings were $7,851,363 [illegible] available for dividends on the common stock the previous year, or equivalent to 7 per cent. on the common, against 8.5 per cent. the previous year.

Public May Aid Banks to Pay City's Debt Abroad

Syndicate of Bankers Discusses Offering of Notes Given for Gold to Investors at Par and Interest.

J. P. MORGAN & CO. TO SHIP $5,000,000 TO CANADA

Public offering of part of the city notes recently purchased by the big city bank and trust company syndicate may be made this week. Decision as to the disposition of the notes, a large proportion of which it is assured will be sold abroad, is entirely in the hands of the syndicate managers. Many inquiries from investors were received by financial institutions yesterday about the possibility of public sale and the price likely to be fixed.

In some important banking quarters a public sale at par and interest, the cost price of the notes to the syndicate members, is being advocated. At this figure, it is held, the city bond at 6 per cent. interest is assured of a good sale to small and large investors. A successful public sale will release to the banks their resources now held in the loan. In other quarters a point or so advance to a figure that will still leave the bonds attractive to investors is advocated.

Gold shipments in payment of the city's debt abroad began yesterday. J. P. Morgan & Co. shipped $5,000,000 to Canada to be deposited with the Finance Minister at Ottawa to the credit of the Bank of England. During the week it is expected that from $3,000,000 to $8,000,000 additional gold will be sent to Canada. It is expected that much of this will come from the Sub-Treasury here.

Of the amount shipped yesterday $3,000,000 was taken from the Bankers Trust Company. This was much more than the trust company's share of the first requisition, but the larger amount was forwarded as a convenience to other institutions which will reimburse the trust company in gold certificates. The kegs were loaded into the wagons of the American Express Company, which is handling the shipment.

The amount of the first instalment of gold to be paid by the banks is $8,257,400 upon delivery to them of the city's checks for the amounts proportionately subscribed. About $12,000,000 of the city's debt matures abroad this month. Of this amount $500,000 was paid by prearranged credits provided for in yesterday's gold shipment.

Some of the banks may elect to pay the six or eight cents in the pound sterling it will cost them to buy exchange at ruling figures rather than part with their gold supply.

BIG SHIPPER URGES HIGHER RAIL RATES

Head of Sharp, Dohme & Co. Writes to President of Imperative Need.

That the railroads of the United States must get higher freight rates if they are to avoid receiverships and that the shippers would rather see them get a 10 per cent. increase than to have the industries of the country disturbed, was the burden of a letter which was sent to President Wilson by A. R. L. Dohme, president of Sharp, Dohme & Co., manufacturing chemists of this city and Baltimore, who have branches at many other points.

"The decision of the Interstate Commerce Commission is so unjustified and has no paternal a flavor," says the letter, "that the main result will be to absolutely prevent further growth of mileage or development of territory and we will compel many more railroads to go into receivers' hands. This company, whose president I have the honor to be, is in a very fair position to speak upon this subject because it ships all over the country and prepays the freight at a dead expense to itself. Hence it would naturally like to see freight rates reduced.

"But as business men who appreciate that you cannot expect competent service from a sick employee we know that we must pay more for freight service if the railroads are to give us efficient service if they are making deficits instead of profits from month to month. We would prefer to pay a 10 per cent. rate increase and see industry hum with activity and all people employed, and at good wages, and every one contented and satisfied, and this country developing and growing and opening up new parts of this great land of ours, than to see them haggle over this rate increase and do nothing to show how small they are in holding back the 10 per cent. increase. This is the rate increase and do nothing that can manage to just avoid receiverships.

"The shipper, the railroads, the employees of the railroads, merchants, manufacturers, their employees, the holders of the securities of all railroads, miners, farmers, charities of all kinds, and in short every class of the people of this country, will distinctly and directly suffer financial loss and personal inconvenience and discomfort, as well as suffering because of this profit in the railroad rate decision of the Interstate Commerce Commission.

"I do not know the politics of the members of the Interstate Commerce Commission and I do not care to know. But I do know that their decision is a destructive one and not a constructive one. It is reactionary and not progressive and it is the present Government to break the little bit of confidence that was left in business to-day and be the cause of fear of great things, apparently.

"The result of such a policy is retrogression instead of progression and its effect will be to hurt business beyond the dreams of the pessimism prevalent to-day."

Mr. Dohme goes on to say that it lies with President Wilson as Chief Executive to see that the railroads have a chance to get the great demands the country must make on them and that the necessary legislation is passed to not only take care of the railroads but also our railroads, which need it equally as badly. He asserts that it would be for the commission to turn about and reconsider its decision to condemn the railroads to a lingering death, while the period the country now faces is critical in that it offers opportunities never before offered for constructive and cooperative development which would help to make up the United States and that are essential to its growth and success.

"All railroads want, 5 per cent. or 10 per cent. rate increase should receive it," Mr. Dohme says. "Some should receive more and some should receive none. Remember that the shippers pay the freight and the consumers pay the final charge and that Mr. Brandeis be the modest minority of the people.

"If it develops that Congress cannot or will not legislate to the end that freight rates are increased then the Congress and the Chief Executive should instruct the Interstate Commerce Commission to immediately give the railroads of the country the rates that they absolutely need in order to serve the people of this country."

WANTS GRAND JURY MINUTES.

Dr. Carman Bases Plea on Maid's Contradictory Stories.

MINEOLA, L. I., Sept. 14.—Dr. Edward Carman, whose wife is under indictment for the murder of Mrs. Louise Bailey, said to-day that his counsel would ask for the minutes of the testimony before the Grand Jury.

The request is to be made on the ground that the testimony of the colored maid, Celia Coleman, a witness to the murder in the Carman home at the time, has perjured herself by stating to the coroner at the inquest that Mrs. Carman had been in the kitchen after the shooting and ended: "I found a woman in the room with my husband. I was at that time in the kitchen."

Dr. Carman said that he would prove that Mrs. Carman was not the one passed through the kitchen.

Mrs. Carman is still quartered in one of the Sheriff's rooms in the county jail. She is extremely nervous.

EASTERN ROADS TO ASK RATE CASE REOPENING

President Willard Advises Interstate Commission That Plea Soon Will Be Filed.

WASHINGTON, Sept. 14.—The railroads of the East will ask for a reopening of the advanced rate case. That was learned definitely to-day after President Daniel Willard of the Baltimore and Ohio and chairman of the committee on railroad executives in the advance rate case, called at the offices of the commission. President Willard conferred with Commissioner Clark and informally advised him that a petition soon would be filed for the reopening of the case or for further hearing on it.

Until the petition is filed with the commission it will not be known just in what form the carriers will proceed. It already has been pointed out in these despatches, however, that the commission in its advanced rate case disposed merely of the application by the carriers for an increase in rates. The commission never has formally disposed of the inquiry which it instituted on its own initiative to ascertain whether or not the revenues of the Eastern carriers were sufficient.

It will be possible for the commission to continue this upon application of the carriers or the railroad presidents may elect to call for a formal reopening of the case on their tariffs on the ground that conditions have materially changed since the commission decision was rendered.

There is no doubt in Washington that the commission will give the railroads a speedy hearing and that the case will be reopened. In view of the extended hearings and consideration given by the commission in the recent case, the taking of testimony and argument on any new application are likely to be brief.

BANK BUYS $1,000,000 BONDS.

Chase National Takes Big Part of Newark Issue.

NEWARK, N. J., Sept. 14.—The Chase National Bank of New York bought to-day $1,000,000 worth of the new temporary bonds for refunding purposes from City Comptroller Tyler Parmly. The bonds are issued to meet the $3,000,000 temporary loan bonds falling due September 29. They are to draw interest at 6 per cent. from to-day and will run for six months.

H. Lee Anstey of New York has taken an additional $800,000 of temporary bonds, part of which will be used for refunding the Passaic Valley issue and part of which is borrowed in anticipation of taxes. The bonds will run for eight months.

The Commercial Casualty Insurance Company took $50,000 in city bonds at 6 per cent. Bond & Goodwin of New York also took bonds at 6 per cent. The Bank of Huntington, Long Island, took $25,000 and the Irving National Bank of New York $5,000 worth of the bonds.

REVENUE COLLECTORS MEET.

Representatives of 49 Districts in Session at Custom House.

Revenue collectors from forty-nine collection districts began a series of conferences at the Custom House yesterday which will last all this week. Collectors from Hawaii and Alaska were among those present.

The collectors were welcomed by Dudley Field Malone, Collector of the Port of New York. There were addresses by F. M. Halstead, chief of the division of customs in Washington, and by Andrew Peters, Assistant Secretary of the Treasury in Charge of Customs. Mr. Peters represented William G. McAdoo.

J. O. Davis, Collector of the Port of San Francisco, was elected chairman of the conference. The solution of difficulties that have been encountered by the different collectors was the subject of the afternoon meeting.

WOODS FILLS TWO POSITIONS.

Mills E. Case Becomes Secretary to Police Department.

Police Commissioner Woods announced yesterday appointments to two new clerical positions.

Mills E. Case, a lawyer and former accountant of the Public Service Commission, was made secretary of the Police Department at $3,600 a year. He will perform some of the duties of the chief clerk and Commissioner's and Deputy Commissioners' secretaries.

John W. Frank was made secretary to Second Deputy Commissioner Rubin. He receives $2,100 yearly.

CUSTOMS UP TO AVERAGE.

Receipts Here on Importations Yesterday $682,885.71.

The receipts for duties on importations at the Custom House here yesterday were well up to the average receipts on a day before the European war, and the amount was not held up by unusually large withdrawals from the bonded warehouses. The total amount received yesterday was $682,885.71.

The withdrawals from the bonded warehouses amounted to $264,076.22, and the amount paid for duties on recent importations was $418,809.49.

CREDIT SYSTEM WITH GERMANY RESTORED

Foreign Exchange Brokers Get Transactions Through by Way of Copenhagen.

ENCOURAGED BY OUTLOOK

Bankers See Lower Rates as Effect of City's Decision to Pay Obligations.

Foreign exchange brokers reported yesterday that for the first time since the cable connections between Germany and the United States were severed they were doing business in marks. One banker reported transactions of about $400,000 yesterday at 97¾ via Copenhagen. The first attempt to do business with Germany, he said, was made on Saturday, when his institution tried to put through a transaction for a small amount as a "feeler." Yesterday morning word was received that the deal had been carried out and business was immediately resumed on a considerable scale.

Bankers also reported making foreign acceptances yesterday in considerable amounts for the first time since exchange rates reached their record breaking quotations. Foreign exchange brokers were particularly optimistic as to the outlook and said they believed the psychological effect of the intended payment of New York city's obligations which fall due this week would tend to make rates lower. Exchange was quoted yesterday at 4.98@4.98½ for demand and 4.99@4.99½ for cables. France cables were quoted at 5.08.

Bankers who are closely in touch with the Federal Reserve Board explained that body's attitude in regard to the proposed $150,000,000 gold pool. A communication from the board pointed out that the board had no intention, for the present, to abandon the scheme of raising the proposed $150,000,000 fund for the payment of New York's foreign maturities, but rather that it intended to await the effect of the first of the city's payments before taking any further steps. The board was understood to be unwilling to have any definite steps toward committing itself to the sanctioning of the formation of a pool for $150,000,000 or any other amount.

Many prominent bankers here urge that the plan be pushed through at this present time as there is an absolute demand for the pool and every one of the bankers who may be called upon to the founding of such a group with unlimited means can reassure European nations to which we are indebted and result in lower rates. In spite of the fact that New York city has shown an ability and a willingness to pay its debts they assert that the same spirit six weeks ago and that the delay may yet be obliged to part with millions more of gold before the European demand can be appeased.

BUSINESS TROUBLES.

ADOLF PRINCE COMPANY.—A petition in bankruptcy has been filed against the Adolf Prince Company, wholesale liquor dealers at 213 West Fortieth street. Judge Mayer appointed James G. Graham receiver. Liabilities $150,000, nominal assets $5,000. Samuel J. Goldsmith, attorney for the company, said that the trouble was on account of indorsements for the East-Berwick Brewing Company of Brooklyn, against which company a petition in bankruptcy was filed recently. Adolf Prince was formerly vice-president of that company. The Adolf Prince Company was incorporated in 1914 with capital stock of $50,000 and "Bradstreets" took over the business of Adolf Prince.

BIDERI & CO.—A petition in bankruptcy has been filed against David Bideri, trading as Bideri & Co., wholesale dealer in general merchandise and dry goods at 172 Franklin street. Judge Mayer appointed Robert C. Morris receiver, bond $2,000. Liabilities in stock of merchandise, accounts, etc. Business started in 1906.

J. M. COSTUME COMPANY.—A petition in bankruptcy has been filed against the J. M. Costume Company, manufacturer of gowns, dresses and suits at 153 West Twenty-seventh street. Liabilities are about $2,000.

FRED H. KAHLE.—A petition in bankruptcy has been filed against Fred H. Kahle, grocer at 208 Avenue A. The petition is made on an assignment on August 17 to Isaac Jagel.

JOHN J. O'HARE, a policeman residing at 663 West 178th street, has filed a petition in bankruptcy with liabilities of $4,198 and no assets. He is unable to pay liabilities of the firm, whose debts are seventeen creditors and owes $191 for jewelry.

MICHAEL J. KENNY, salesman, of 507 Van Cortlandt Park avenue, has filed a petition with liabilities of $7,535 and assets of $7,50.

CHARLES GOTTLIEB & CO.—Judge Mayer has confirmed a composition of Charles Gottlieb & Co., manufacturers of cloaks at 29 West Twentieth street, with creditors at 31 cents on the dollar, payable in cash, 21 per cent. and the balance in notes.

HENRY BORNSTEIN, wholesale dealer in toys and novelties at 414 Broadway, has filed schedules showing liabilities of $181,178 and assets of $115,424.

WILLIAM ASSCHENKWITZ & BRO., importers of goods, at 154 twenty-sixth street, have filed schedules showing liabilities $78,816 and assets $2,416.

STANDARD MANUFACTURING COMPANY, Inc., dealer in [illegible] have filed schedules showing liabilities $7,416 and assets $4,324.

EMMA R. RUMKES, dealer in women's wear at 2342 Broadway, has filed schedules showing liabilities $2,431 and assets $1,300.

BELA KANTOR, jobber in dry goods at 2015 First avenue, has filed schedules showing liabilities $2,231 and nominal assets $2,442.

HAROLD L. STAND, dealer in dry goods at 559 Second avenue, has filed schedules showing liabilities $1,443, nominal assets $500, and actual assets, $450.

BREEAU BROS., INC., wholesale dealers in millinery, at 3 West Third street, have made an assignment to Jackson D. Morrison. The company was incorporated on January 22, 1914, with capital stock, $10,000.

SAMUEL GROSSMAN, ladies' tailor, of 148 Essex street, has made an assignment to Louis Hoffman.

Discharges from Bankruptcy.

Discharges from bankruptcy were granted in the United States District Court to these debtors: Jacob Tripp & Co., wholesalers of liabilities, $18,255; Jacob Lanz, exporter, 20 Spruce street, liabilities, $3,965; Solomon Goldenkranz, exporter, 98 Third avenue, liabilities, $15,669; Coronet, of 68 St. Marks place, liabilities, $6,565; Morris Waterman, manufacturer, 110 West Fortieth street, liabilities, $44,143; Fred Smith, liabilities, $3,519; Max Pugh, manufacturer, at 12 Trinity place, Yonkers, liabilities, $2,722; Jacob Shapiro, 119 Ludlow street, liabilities, $1,674; Joseph Jefferson Smith, step-son of Jefferson Smith, comic opera singer, liabilities, $1,950; Poughkeepsie, N. Y., liabilities, $4,128; Charles Rochelle, liabilities, $1,674; Henry Whiting, Harry Middleton, liabilities $1,674; Augustus Ferrel, Mount Vernon, liabilities, $6,450; Hadley Samuel Lipnik, 128 West 27th street, liabilities, $6,481; Robert Freedman, of 167 East 11th street, clothing, liabilities, $1,678; Cohen, of 20 Sixty-second street, liabilities, $11,711; Theodore Kapulski, Bronx, Fred H. Sprague, $14,170; F. M. Feder, Blaiste, liabilities, $7,134; Albert F. Harlow, stationer, 271 Broadway, liabilities, $8,150; Herman Frankel, dealer in furs, 43 West Twenty-fourth street, liabilities, $14,920; Sol Sands, Bronx, liabilities, $7,900; formerly The Bronx, 1043 Southern Boulevard, liabilities, $4,920; Charles King, Jr., 388 Mosholu Parkway North, liabilities, $2,750; Jacob Luban, 1898 Jerome avenue, liabilities, $1,740; Mount Vernon, liabilities, $8,761; Sigmund Kantrowitz, Bronx, liabilities, $1,690; Joseph B. de Gratresse, liabilities, $7,714; Jawitz Bros., jobbers in Bronx, liabilities, $2,500; Edward Schott, 164 West Twenty-second street, liabilities, $1,500; Henry Yellin, 582 Broadway, liabilities, $28,733.

NO DISCRIMINATION BY WESTERN BANKS

Comptroller Williams Gives St. Louis and Chicago Institutions a Clean Bill.

WASHINGTON, Sept. 14.—Comptroller of the Currency John Skelton Williams reported to-day the result of an investigation into the charge of discrimination against certain classes of collateral by the banks of St. Louis and Chicago similar to those relating to the New York banks, which were covered in a statement he issued yesterday.

He gave the banks of the two cities a clean bill of health, showing that not the slightest foundation existed for the charge in so far as the Chicago banks are concerned, and that only one St. Louis bank had eliminated any particular collateral loans. The Comptroller said:

"The national banks of Chicago all report that they have not required the withdrawal of collateral of any class from the loans since the closing of the New York Stock Exchange, and that upon none of their loans are they requiring a margin of more than 25 per cent.

"They also report that they have called none of their loans since the stock exchange closed.

"The amount of loans called for account of correspondents was $3,600,000, of which they report that $3,500,000 was paid. Of the loans which they had placed for correspondents they report having taken over $710,000.

"New call loans made since July 31 on bonds and stocks and now outstanding amount to $2,193,000.

"New time loans made on bonds and stocks since the closing of the New York Stock Exchange, $1,021,000.

"Time loans on bonds and stocks renewed since August 1, 1914, $5,122,000.

"All national banks of Chicago report that they have neither sold nor ordered sold any bonds or stocks held as collateral for loans because of omission of borrowers to pay for same.

"The maximum rate of interest charged by the banks of Chicago during the month of August was reported at 7 per cent.

"Of the national banks of St. Louis only one bank reports the elimination of any particular collateral from its loans.

"They report that they are not requiring more than 25 per cent. margin on any of their loans secured by stocks and bonds and that they have called no loans for payment since the closing of the New York Stock Exchange.

"The amount of call loans called for account of correspondents was placed at $269,000, of which $211,000 was paid.

"Call loans placed for correspondents taken over by the St. Louis banks, $10,000.

"New call loans made since August 1 were reported at $410,000.

"New time loans on bonds and stocks renewed since August 1, $2,8000,000.

"Only one bank in St. Louis reports selling out collateral because of omission of borrowers to pay call loans.

"The maximum rate of interest charged by the St. Louis banks in the month of August was 8 per cent., this rate having been charged by three banks. The maximum of one bank was 7 per cent. and of the remaining three national banks 6 per cent."